

SPEECH

OF

MR. WRIGHT OF NEW YORK,

ON THE BILL FOR THE

REPEAL OF THE INDEPENDENT TREASURY.

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SENATE U. S. JUNE 9, 1841.

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WASHINGTON:

PRINTED AT THE GLOBE OFFICE.

1841.

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## S P E E C H .

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*In Senate, June 9, 1841*—On the bill for the repeal of the Independent Treasury law.

Mr. WRIGHT said: Mr. President, I am not surprised or disappointed that our respected opponents leave exclusively to us the debate upon the final passage of this bill. I know that power is sometimes more anxious to execute its purposes than to give reasons for its course; to do execution than to offer arguments in justification of the act. I remember, too, that an eminent English judge is said to have advised a friend, about to enter upon the discharge of judicial duties, and not very confident of his qualifications, to decide, but to give no reasons in support of his opinions. I was prepared to expect that the repeal of the Independent Treasury law was a matter so well settled in the minds of the majority of the Senate, that the passage of this bill, and not the reasons for its passage, without any provision for a substitute, would occupy their attention and govern their action. Of this I have no right to complain, and do not complain; and I refer to the fact simply to lay the foundation for the apology I owe to the Senate for throwing myself upon its attention, and occupying its time, so plainly against the sense of a majority of the body, and when I know that majority will not debate the question; will not advance arguments in favor of the passage of the bill, or reply to those advanced against it. It is painful for me to speak under such circumstances, and under the deep consciousness of the impatience which must be felt by those whose determination is simply to listen, and press the question; and could I make myself believe that my public duty upon the subject would be discharged by a silent vote, I certainly should not interfere to impede for a moment that result, which the majority of those I am to address so earnestly seek, and which I know must speedily be produced.

I am well aware that the general subject of discussion is an old acquaintance in this chamber, and that not the members of the Senate simply, but the people of the whole country, are supposed to be perfectly acquainted with it. Still I believe much remains to be said before the vital importance of this action will be properly understood and justly appreciated, in its necessary influences upon the most essential interests of the nation, even here, and much more by the people at large. Hence the

imperious sense of duty which compels me to occupy the time and ask the attention of the Senate under circumstances at least as unpleasant to myself as to it.

I am deeply indebted to the honorable Senator from New Hampshire, [Mr. WOODBURY,] for the able speech with which he has opened this debate, as he has performed a duty which, upon repeated former occasions, has fallen upon me, that of showing what this Independent Treasury system really is, and has performed it in a manner better than I could hope to have done. I am thus saved the consumption of time equal to that which he has occupied, and the cause we advocate has received that aid from his powerful mind and practical experience, which it could not have received from any effort of mine. In following that learned Senator, I shall repeat as little after him as possible, and keep the course I have marked out for myself; and I will promise to restrict my remarks within the narrowest limits of time consistent with a fair discharge of the duty which impels me to ask to be heard at all.

It is impossible to discuss the question presented in the manner in which I propose to discuss it, without direct reference to some substitute to be adopted, as a system of finance for the Government, in the place of the Independent Treasury system, now to be repealed. After what has taken place in the course of the action of the Senate as in committee of the whole upon this bill, I feel authorized to assume that that substitute, if any be adopted, will be a Bank of the United States of some character. Such is the frankly avowed opinion and wish of the honorable Senator from Kentucky, [Mr. CLAY,] and the votes of the Senate upon propositions to modify the State bank deposit law of 1836, so as to make it again of practical force, seem to indicate that such is the preference of a majority of the body. I shall, therefore, assume that the Independent Treasury law is to be repealed to give place to a National Bank, and shall base my argument upon that assumption. As to the peculiar powers and privileges to be conferred upon the Bank to be created, or the place of its location, I care nothing, if it be conceded that two provisions will be incorporated in the charter, neither of which, as I suppose, will be surrendered by the consent of any member of the Senate who



intends to vote for a Bank at all. The provisions to which I allude are, first, the right and duty on the part of the Bank of collecting, keeping, and disbursing the public money; and, second, the making the notes of the Bank a legal tender in all payments to the public Treasury. The first of these provisions is dispensable to constitute the Bank the fiscal agent of the Treasury, the ostensible purpose for which it is to be chartered; and the second is the only effectual mode in which the credit of the country can be so blended with the credit of the Bank as to draw around it the requisite degree of public confidence to enable it to control all the local banking institutions. I will further assume, therefore, as a fact universally admitted by the friends of any form of a bank, that these two privileges will be conferred upon it, and if it possess them, it is a matter wholly immaterial to the argument I propose to offer, what other attributes may be given to the institution.

In the course of the debate, when the bill was in Committee of the Whole House, some reasons were assigned for this speedy passage of it, and I propose, in the first place, to examine one or two of them, that we may see whether they have in fact the force which those who offered them seemed to suppose.

The honorable Senator from Kentucky [Mr. CLAY] opened his argument with a metaphor, to illustrate the necessity of the passage of this bill, as the first step in the important proceedings of this important special session of Congress. He told us, in substance, that the wise architect always pulled down the old building, and cleared away the rubbish, to make room for the new edifice, and that, in like manner, the Senate should annihilate all existing fiscal agencies before they commenced to lay the foundations of his proposed new and more splendid agency, a Bank of the United States. I admit that this course is sometimes not only wise but necessary in architecture, but I appeal to the candor of the honorable Senator himself to say whether it is of universal application. Suppose he should see the head of a family in this city turn his family out upon the pavement, and vigorously commence to tear down the mansion which was their only shelter from the weather and the storm, and, upon inquiry, that head of that family should tell him that the timber for his proposed new house was still growing in the forest; that the bricks which were to form its walls were yet resting in the bank of earth out of which they might be formed, and that the pecuniary means for the erection of the new edifice were yet to be earned by industry, accumulated by some untried enterprise, or obtained by a loan upon credit; would he consider that man a provident father and husband, or believe that he was following the directions of a wise architect? If this destructive operator should tell the honorable Senator that there were differences of opinion between himself and the members of his family, and between the individuals who composed the family, in relation to the expediency of building a new, and more especially in relation to the size and plan and description of the new building which they should erect, and that he had found it necessary to demolish the old house, and turn them out to the weather, without shelter from the

heat or protection from the cold, to force them to unite with him in the erection of his proposed new edifice, the reasons of the man, for his apparently rash course, would be palpable; and still the Senator would be compelled to say that his appeal was to violent arguments to force harmony in his family, and would be forced to admit that his course savored more of resolution than of wisdom, fairness, or justice. Suppose further, the members of the family should tell the honorable Senator that the new house was not, in any event, to occupy the site of the old; that the new site was not yet either secured or selected, and that the only point determined about it was that it should be upon a different lot, a different street, and in an entirely different quarter of the town from the old. This would show the absence of all necessity for the demolition of the old building, and would not certainly relieve the act of the head of the family in tearing it down, and turning his family houseless into the public streets, from the character of rashness which it first assumed.

I will apply the Senator's metaphor, thus illustrated, to the case before the Senate. He insists upon a speedy repeal of the Independent Treasury law, to give place, as he says, to a National Bank, when he does not know, and no man yet knows, that a National Bank can be passed by Congress; when he does not know, and no man yet knows, in case a majority of the members of each House of Congress shall be able to agree upon a charter, that it will be such an one as can receive the approbation of the Executive. He does know, however, and we all know, that there are differences of opinion between members of the Senator's own political party, not only as to the description of Bank to be incorporated, the extent of the powers and privileges to be conferred upon it, and the location to be given to it, but upon the question whether a National Bank shall be chartered at all, or some other fiscal agent for the public treasury shall be constituted.

Does he not further know that the Bank or other fiscal agent proposed to be constituted by his party, whatever may be its form, and by whatever name it may be called, is not to occupy at all the site of the old building, the Independent Treasury? Certainly he must know this. The Independent Treasury is erected upon solid constitutional ground. Its foundation walls are laid strong and deep in that sacred soil. This is a point beyond doubt or question; and I do not suppose any single individual whom I address, ever has held, or pretends now to hold a doubt as to the strict and express constitutionality of the Independent Treasury system as a fiscal agency for the Treasury. Not so with the honorable Senator's proposed National Bank. It can only be reared upon the marshes of the constitutional land, if indeed it can occupy so tremulous and moveable a foundation within the boundaries of that consecrated territory. Its constitutionality is more than questionable, to use no stronger expression, and its site cannot approach that occupied by the treasury of the Constitution itself. Whence, then, the necessity for razing this old and plain and homely building with such hot haste, because a new edifice is to be attempted in another quarter? The new edifice, I doubt not,



if erected, will be more splendid in its architecture, more glittering and showy in its appearance, but the old house is not in the way, and need not be demolished to make room for the marble palace which is to succeed it. Will not gentlemen consent to let this plain and homely building remain, useless though it may be, and untenanted as it surely will be, if a splendid Bank is to become the treasury of the people? Will they not in this instance follow the worthy example of many of the hardy yeomanry of our country, who, when industry, frugality and prosperity have enabled them to do so, erect new dwellings, enlarged and beautified, but suffer the old log cabin to remain, a memento of humbler circumstances, though perhaps not of less happy days or honest dealings? Let the same course be pursued as to this Independent Treasury law, this old building about to be hastily demolished. It can do no harm, and will be a memorial of a period when the currency of the Constitution was the currency of the law; when money, and not credit, was collected into the public treasury, and paid out to the citizens who labored in the public service; when reality and intrinsic value, and not paper promises and confidence, were the standard of value for all our property. This old building may indeed be offensive to the eyes of some of the occupants of the proposed new edifice, but surely we shall not, in that circumstance, find a necessity for tearing it down and obliterating its very foundations, before even the plan of the new building is formed, or its site selected. Let, I entreat gentlemen, the old house remain until the erection of the new building shall supersede its use, and then let it still remain, a monument of the wisdom, or the folly, as experience shall decide, of its constructors.

Another reason which has been repeatedly assigned for the early passage of this bill is the assumption that the decision of the people, at the last fall elections, was against the Independent Treasury, and demands from their representatives the repeal of the law establishing it. It is said that resistance against the repeal is direct resistance against an express mandate of the people. Is this so? I do not stand here to say that it is not so; but if gentlemen insist that the elections referred to were a decision of the people against the Independent Treasury, in favor of what system of finance did those same elections express the opinion of the people of the country? In favor of the now proposed substitute, a National Bank? No. So far as my acquaintance extends, that result, from those elections, cannot be established. The Presidential elections of 1840 were, in the manner of conducting the canvass, new and singular to the country, and it is not easy to determine what was decided by them, beyond the choice of the successful candidates. It is insisted, however, by the dominant party, that a decision of the people against the Independent Treasury is one point clearly established by those elections. This may be so; but it does not follow that such decision was also in favor of a National Bank. This, however, is now assumed, and I will take this occasion to repeat, what I have once before expressed from my place here, that it may as well be urged, and upon much stronger evidence, that the decision of the people

at those elections required of the distinguished individual elected to fill the Presidential chair, and of him who now fills it, that they should have declined to occupy the splendid mansion at the other end of this avenue, erected by the people for the use of their President, and should have erected for their official accommodation a hovel of slabs, or a log cabin, upon the beautiful public grounds which surround that proud dwelling of the people, or upon the pavements of the street adjacent; that these high functionaries and public servants should have discarded from the President's House and table the rich and gorgeous furniture which it has pleased the people to provide and supply for the use of their Chief Magistrate, and should have supplied the deficiencies thus produced, by stools and spoons and plates of wood. Would any one now contend that absurdities such as these were decisions of the patriotic and intelligent freemen of this country at the elections referred to? And yet these very subjects were made matters of grave debate in high places, and throughout the popular meetings of the dominant party, during that canvass, and I might add a hundred other topics equally novel and absurd, to which a leading prominence was given by the Whig orators pending that canvass. No one will now stand up here, or elsewhere, and contend for the force and weight of favorable popular decisions upon these irrelevant, disgusting and disgraceful issues. All these extravagances of political effort are as revolting to my mind and feelings now as they were when being used as means of popular delusion; and I do not refer to them from any pleasure I take in bringing them back to the memories even of those who participated in the farce, much less those who did not, but simply for the purpose of showing gentlemen, who are now so fond of quoting the popular authority exhibited at these elections, in support of their proposed measures, that their issues for that spirited and important controversy were formed much more with reference to success in the vote, than to measures of government, which should be consequent upon that success; and, as proof of this position, to remind them that evidences of popular decisions in favor of these absurd trifles, are much more abundant and strong than they are in favor of the establishment of a third National Bank.

Upon this point I speak from some personal acquaintance with the facts. During the canvass referred to, for the first time in my life, I followed the universal example and traversed a considerable portion of my State to meet and address assemblages of the people upon the political topics of the day. One of my almost invariable efforts in my addresses to the freemen of the State was to prove to them that the prominent object of the party opposed to me was the re-establishment of a National Bank in close connection with the National Treasury and the national credit; and it was almost as constantly as I discussed this point that my assumption of the fact was boldly and confidently denied by prominent members of the Whig party, in subsequent familiar conversations with me, and I was assured in the strongest and most earnest manner that I was mistaken as to what would be the policy and measures of the party, if successful



at the elections. These conversations were not political disputes, but friendly and familiar interviews, and the averments were strong and positive that a National Bank would not be a measure of the party. The gentlemen to whom I allude gave me credit for sincerity of belief in the position I attempted to establish, and I accorded to them then, as I do now, credit for perfect sincerity in the declarations they made to me. They honestly believed that their party was not the Bank party, and that the re-establishment of a National Bank would not be one of its party measures. They conscientiously believed I was laboring under a radical mistake upon this point, and had the frankness and candor to tell me so; but a very brief flight of time has shown them and me which was the mistaken party. So much for my personal information upon this point. In addition to it, I have the universal and uncontradicted report of the day, that while few, very few, of the leading Whigs, who traversed the State, and addressed popular assemblies in reference to the pending contest, expressed themselves in favor of a Bank, or recognised the question as involved in the elections, many of them denied in that bold and public manner that a Bank was a measure which either they or their party favored, and denounced in the strongest terms their political opponents for changing friendship for a National Bank upon them. And shall it be said, under such circumstances, that the popular decision, in a canvass so conducted, was in favor of such a Bank? I repeat, the position cannot be sustained by facts or history.

Assume, for the sake of this argument, that the popular decision, at the elections of 1840, was against the Independent Treasury, and how will it stand, in this respect, by the side of the proposed substitute—a National Bank? This substitute does not rest under one popular condemnation simply. The old Bank of 1791 reached the termination of its charter in 1811. The subject of a recharter was agitated, and the popular voice controlled the action of the people's representatives; the recharter was refused; and the Bank suffered to expire. The second Bank of 1816 anticipated the limitation of its charter by the period of four years, and made its application to Congress for a recharter in 1832, pending an exciting Presidential election. The majority of the representatives of the people in both Houses of Congress favored the wishes of the Bank, and passed a bill for its recharter for a second period of twenty years. The then President of the United States, at the time a candidate for re-election to that high office, returned the bill with his veto, and its passage was thus defeated. He made his appeal against the Bank directly to the people of the country, and the Bank and its friends joined the issue with alacrity, and manifested no less reluctance than the President to go to trial before the grand inquest of the nation, the freemen, at the polls of election. Never was political issue more distinctly formed; more fully argued; more constantly kept before the eyes and the minds of the people, or more clearly and triumphantly decided; and never was the condemnation of the popular voice more unequivocally expressed than against this second Bank of the United States upon that occasion. This was the second distinct judgment

of the people of the United States against a Bank of the United States.

There has been a third controversy, however, which elicited a third verdict of the same character and tendency. In October, 1833, General Jackson, then having entered upon his second Presidential term, ordered the deposits of the public money to be changed from the Bank of the United States to the State banks. This gave rise to the celebrated "panic session of Congress," so called, and to the exciting Congressional elections of 1834 and 1835. Again President Jackson and his Administration were engaged in the trial of a political issue before the people against the Bank of the United States and its friends and supporters. The restoration of the deposits to the Bank was the form of the question, but all will remember, and all must admit, that the success of the Bank in the trial of that question would have been held and viewed by both the contending parties as equivalent to a recharter; as a step gained by the Bank which could not have failed to lead to that result. Hence the desperate character of the contest, but again the Bank fell, as signally as in 1832, under the condemnation of the people, and fell to rise no more as a national institution. Indeed, so clear and conclusive were these double verdicts, that the friends of a National Bank have scarcely debated the subject, and have not invoked the action of Congress upon it since the last named trial, but on the contrary have frequently declared in these halls that they should not move again with reference to the establishment of another such institution, until there was evidence of a change of the public mind respecting it.

That time is now claimed to have arrived, and the movement is now to be made; but I trust that I have shown that, in my section of the Union at least, the elections of 1840 were not contested upon this ground, and do not furnish that evidence of a change of the popular will in reference to a National Bank, which authorizes the assumption that the change has been effected, or sanction the establishment of a Bank upon the strength of it. If those elections condemned the Sub-Treasury, they did not relieve a National Bank, the now proposed substitute, from its triple condemnation, and it is a more manifest resistance of the expressed will of the people to urge upon them the charter of such a Bank, than it is to resist this hasty destruction of the Independent Treasury, while no substitute is proposed which has not met their more repeated and stronger disapprobation.

The State bank system has been twice tried; once from 1811 to 1816, and again from 1833 to 1837. I do not know as I can truly say, that this system has ever been distinctly submitted to the people and received their verdict. It was put into operation by Executive authority upon both occasions, and, though recognised by Congress during the latter period, and made the system of the law, its utter failure upon both trials, and especially upon that ending in 1837, pressed the necessity of instant new legislation, and thus brought on the existing controversy between an Independent Treasury and a National Bank, almost without reference to a third system. Yet the very small number of representatives in either branch of the National Legis-



lature, who have, since the suspension of the banks in 1837, favored the system of State bank deposits, authorize the inference that there is now but a comparatively small party in the country who adhere to that plan of managing the finances of the Government, as preferable to both of the others which have been considered; though there may be very many who consider it, unfortunate as it has hitherto been in practice, preferable to the one or the other of the different systems.

The present President, in his message, tells us, boldly and manfully tells us, that all these three systems of fiscal agency for the Treasury, have respectively met the condemnation and rejection of our common constituents, the people of the country. Can it be, then, that a necessity presses itself upon the Senate, growing out of the obligation to obey the popular voice, the public will, to sweep away one of those systems for the purpose of putting in its place either of the others, equally repudiated and equally condemned by the people? But no. I ought not to say *equally* repudiated and condemned, for such is not the fact. A National Bank has been tried for the term of forty years, and, as the result of that thorough and patient trial, has met three distinct condemnations from the ballot boxes. The State bank deposit system has had two separate trials, the one of five and the other of about four years, and has made, within those short periods, a perfect failure upon both occasions. The Independent Treasury has not been tried. The law establishing it was passed on the 4th of July last, eleven months and five days from this day, a time insufficient to put the system into perfect operation, much less to give it a fair trial and test its merits and defects. The provisions of the law bring it into gradual operation in its principal bearing upon the currency, and time has not yet elapsed sufficient to make an advance of a single step in the progress of the law towards a sound and stable and uniform currency of intrinsic value. It is not then under *equal* condemnations that these systems rest. The two former have repeatedly condemned themselves and been condemned by the people, after fair, full, and patient trial; and the latter, if condemned at all, has met that condemnation at the hands of political opposition, not as the consequence of experimental defects, or evil tendencies; and is to be cut off, repealed, destroyed, without trial and without a substitute. What fault has been found with its operation hitherto? Have the sound, solvent business merchants, complained from any thing but apprehension? Has the short experience which they have had confirmed their apprehensions? Not that I have learned, or heard, though I have heard much which goes to prove the reverse. Yet, sir, the old building must come down. A Bank palace is to be erected, and though the old site is not wanted, and cannot be occupied, the structure upon it will be unseemly to the tenants of the new mansion, and it must be razed to the ground and its foundations, which cannot be dug up and destroyed, must be covered over and ornamented, so as to conform in appearance at least to the new system.

So much for the reasons which have been offered for the speedy passage of this repeal bill,

based upon the necessity of tearing down and clearing away, to make room for the new "fiscal agent," a Bank of the United States, as the honorable mover of the bill tells us; and, upon that assumed command of the people, which requires at our hands the demolition of their Treasury, constructed upon constitutional principles, that such a Bank may be erected, not upon its ruins, for that can never be, but as its substitute and keeper of the people's treasure.

I will now examine, as briefly as I may, the action and tendencies of these two systems of finance for the nation, upon certain great and leading public interests, governmental and popular. And, first, the natural action and tendencies of the two systems upon the currency of the Treasury and the currency of the country.

The currency of the Independent Treasury, if it shall be permitted to go into full operation, is gold and silver, the currency of the Constitution alone, the standard of currency established by that instrument; it is a currency which cannot be raised in value at will, or depreciated; which cannot be expanded at pleasure, or contracted, to promote particular interests, or peculiar views; the graspings of private interests, or the objects of corporate or political ambition. It must constantly have the uniformity, both of value and quantity, which the trade of the world will allow. It must be regulated by those laws which regulate the trade of the world, and these are the laws which must govern our controlling markets, and the value of our property seeking a disposition in commercial channels.

The currency of a National Bank is the paper promises of the Bank to pay; manufactured by the Bank at pleasure; possessing no intrinsic value; subject to be expanded or contracted, and consequently to be raised in value, or depressed, at the pleasure of the Bank and its managers; is not necessarily governed by the laws of trade, either as to its quantity or value, and never can have the uniformity which those laws require for a safe and salutary medium of exchange.

The currency of the Independent Treasury system is a standard of money, of exchangeable value, as stable as the standard of weights and measures; established by this Government in conformity with the express requirements of the Constitution, like the standard of weights and measures, and furnishes a uniform measure of value, as well for the currency as the property of the people. The power given to Congress over the three standards is the same, and the grant is contained in the same clause of the Constitution. It is to be found in the 5th clause of the 8th section of the first article, and is in the following words:

"The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures."

And is it less important to every great interest in a commercial country that the standard of value should be stable, uniform, and true, than that the standards of weight and measure should be? The latter are measures of quantity, and the former is the measure of value; and why do we wish to be accurate in measuring the quantity but in reference to the value of the commodity measured? Surely,



then, if we measure quantities as a mere step towards valuation, the measure of value should be, of all things, accurate and true. And can that be a true measure of value, as an open exchangeable currency, passing from hand to hand by mere delivery and without reference to the responsibility of the payers, which has no value in itself, and simply purports to be the representative of value which is not present? Such a currency cannot be a standard, but requires a true standard for the measurement of its own value.

How is it, then, with the currency of a National Bank, in this aspect of the case? It is its own paper; its own promises to pay; a standard of value entirely artificial and arbitrary; unknown to the Constitution as money, and certainly as a standard of money; wholly destitute of intrinsic value; held, controlled, and regulated, not by the Government of the people, but by the interested officers of the Bank; can be expanded without comparative cost, and contracted without comparative loss; is subject to be raised and depressed in value, not by the laws of trade alone, but by the whims and interests of the managers of the Bank, and by panics and passions and prejudices in the public mind. Such are some of the differences between the currency of the Independent Treasury system and the currency of a National Bank of issue and discount.

Again. The natural action and tendencies of the Independent Treasury system are opposed to the contraction and continuance of a public debt of any character. Its officers are paid by stipulated salaries, and their direct interests are to diminish, as far as may be in their power, their responsibilities and duties. Large collections of money to be received and kept and disbursed by them would increase both, while a debt would add to the necessary collections and payments in exact proportion to its amount. It would further add to the duties and responsibilities of these officers through the necessary process of management, such as the multiplication of accounts, the necessity of transfers, the complexity of calculations, and the like.

A large debt, too, would increase the necessity and the danger of accumulations of coin in the public vaults, as the sums to be paid for interest, or principal, would have to be accumulated against the day of payment, at the peril of the public credit, and serious evils might be visited upon business men and the local banks by the hoarding thus rendered imperiously necessary. Such a consequence, and even the apprehension of it, would array these interests against the contraction or continuance of a heavy debt, as would every natural tendency of this system.

Not so with a National Bank. Its natural tendencies would all be in favor of a national debt of a permanent character. The management of the debt, as the fiscal agent of the Treasury, would give it a hold upon the Government, and the country, strongly calculated to secure its own perpetuity. The stock which should compose the debt would present the most convenient and desirable investments, upon occasions, for its capital and surplus means. A trade in the stocks would frequently present greater inducements of profit for the employment of its extensive means, than ordinary bank loans; while its foreign operations, in

exchange and otherwise, would be greatly facilitated by the ability to command a Government paper, which would answer its purposes for remittance abroad instead of the precious metals; for we must not delude ourselves with the idea that we can give to a National Bank, by our action, a credit which will make its notes current, as money, in a foreign country. Another consideration which overrides all the rest, and which will ever make a National Bank in this country, if not in all others, favor the existence of a permanent national debt, is this: The Bank, as the fiscal agent of the Treasury, must manage the debt. Through that management, when the debt is large, it can control the public credit of the country, and by its command of the public credit it will be able to control the Government of the people, and even the people themselves, and in that way render its existence and its power secure and perpetual. What gives to the National Bank of England its strength and durability? Its power to command a recharter at pleasure, and to dictate the value of money and the measure of credit to the British nation itself? Its hold upon the Government through their great national debt. The capital of the Bank is a part of that debt, and the management of the debt, and the delicacy and importance of the credit of the nation, by reason of its immense indebtedness, places the Government in the power of the Bank, and compels it to move in subserviency to its interest. What is true in England will be true here, under like circumstances, and a National Bank in the United States will be just as much strengthened by a national debt, and be just as anxious for the existence and permanency of such a debt, as is the National Bank of England. Indeed, I have long been convinced that a National Bank cannot be long sustained in this country, and under our present institutions, without the aid and support of a large co-existing national debt.

The Independent Treasury will bear an equally favorable comparison with a National Bank as to the natural action and tendencies of each upon another point of great public interest. I refer to the subject of taxation. Every tendency of the Independent Treasury system must naturally be against excessive taxation of any description, and in any form. Any policy or course of measures calculated to accumulate a surplus revenue in the Treasury of the United States would render that system burdensome and oppressive upon the people, and upon every business interest of the country, because it would, to the extent of the surplus, withdraw the precious metals from use, to be hoarded in the public vaults. The system being preserved, therefore, such policy and such measures could not fail to attract the attention of the business community, and to become unpopular; the only consequence which, under our free representative institutions, need to be produced to insure their abandonment and repeal. This necessary and unavoidable tendency of the Independent Treasury system has ever appeared to me one of its greatest merits. If continued in operation, it will be sure to relieve us forever hereafter from extravagant tariffs, excessive taxation, and surplus revenues; evils under which the country has suffered most severely within the last ten



years, and which powerfully contributed to bring on the excesses in trade, in banking, in credit, and in speculations, which immediately preceded, and necessarily produced, the present revolution, depression, and derangement in our trade, our commerce, and our currency. A perfect defence and protection against these excesses for the future, and against the certainly consequent collapse, should be an object of the first importance with the statesman; and the fact that the Independent Treasury system must, if continued, prove to be this defence and protection, ought strongly to recommend it to every man of property, or business, and most especially to the great commercial interests.

Not so the bank system. Charged with the collection, keeping, and disbursement of the whole public revenue, for no other compensation than the profits to be made from the use of the money of the people while remaining in deposit, that a National Bank will favor precisely that course of policy, and those measures, which will bring the greatest amount of money into its vaults, and consequently the greatest amount of benefit to its interests, must be just as true as that the officers of a Bank will consult their own interests, and the interests of those who employ and pay them, or that the stockholders of a bank will prefer large to small dividends upon their stock. A surplus revenue is, to such an institution, a permanent deposit, a permanent increase of its banking capital; and the head of the institution can always tell, quite as accurately as the head of the Treasury Department, what rates of taxation will simply meet the appropriations of Congress, and what rates will be sure to leave a beneficial surplus of revenue for the uses of the Bank. Can any one doubt, then, which of these rates the influence of the Bank will be exerted to produce? The natural tendency will be towards the rates which will produce the surplus; and that will be the practical tendency so long as a money corporation shall be the agent to exert the influence. The conclusion is unavoidable. The business of the Bank is to make money for its officers, managers and stockholders. The desire to be connected with the Government, as its fiscal agent, springs solely from the expectation of profit to be derived from the extended powers conferred, the strong credit imparted, and from the use of the money of the people deposited; and it would be absurd to believe that the influences of the institution are to be so exerted as to defeat the very objects of the connection. The Bank, therefore, must favor that system of taxation which will draw the greatest amount of money from the pockets of the people to its vaults, under the name of revenue to be collected, kept, and disbursed by it.

Other inducements, however, besides that of the mere profits of banking, increase this tendency of a National Bank to favor taxation. Next to the desire of immediate profits, is the desire for perpetual existence, on the part of these money corporations, and every thing which extends their power over debtors, their means to accommodate more borrowers, and to enlarge the limits of their money power, increases their security, strengthens their hold upon the people, and adds to the chances of the extension of a limited charter. Indeed the ex-

perience of the past has shown to us that, when the amounts of surplus revenue in the vaults of a bank are large, and its necessities pressing, other uses than ordinary bank loans can be made of the money of the people to influence the action of the people and of their legislative assemblies. Portions of the press can be bought up and controlled. Mad speculations can be set on foot and stimulated. The purity and integrity of the ballot box can be secretly but fatally assailed. The action of the State Legislatures, if not the action of the National Legislature, can be experimented upon, if not successfully influenced, by such means in such hands. And certainly the Senate will not be disposed thus hastily to destroy a safe and salutary fiscal system, to substitute another, for the accomplishment of objects like these; nor will they be willing to draw money again from the pockets of the people for such uses. I will not say that a future Bank, now to be created, will indulge in such practices, but the daily developments of this present period are constantly showing to us that the late Bank of the United States has indulged in them; and more, that a main cause of its present ruin and prostration is the appropriation of the means in its hands, public and private, to break down the local banks of a single State. Such regulation of our banks and our currency ought not to be desired by any interest, or any party; and what security can we have that what has so recently been may not again be brought about, if we voluntarily reconstruct the same dangerous machinery? We have seen what its natural tendencies are, and what its action has been, and have we any foundation for saying that either will be different in future? It seems to me not.

I will now examine very briefly the action of these two systems of finance upon credit. Here the greatest benefit is promised, and seems to be expected, from a Bank of the United States; and the greatest injury apprehended and feared from the Independent Treasury. What must be the action, and what the tendencies of each? The Independent Treasury system must, from its nature and the necessity of the case, act as a restraint upon the excesses of credit, and therefore, in that sense, prove a salutary regulator of it. Using no credit itself, when it shall have reached its perfect operation, it must constantly hold up before the banks, the merchants, the brokers, the business men of all classes, a sound and uniform standard of currency of intrinsic value, a standard by which alone the value of all credits; as well as all property, ought to be, and must finally be, measured. It stands in the whole country as do the weigher, and gauger, and measurer, in the marts of commerce, and brings all commodities to their true standard of value, as do the latter to their true standard of quantity. The apprehension is that it will prove too rigid and severe a regulator of credit, but no experience from its action has as yet confirmed this fear. Why should it continue? The currency of this system is the standard of truth, and none but false credits need apprehend injury from a trial by it. If the credit be in fact, what every credit ought to be, a representative of intrinsic value existing any where, this standard of intrinsic value will strengthen and confirm it; but if it be



a false credit, the mere representative of imaginary value, having no real existence, the standard will be precisely the one which every great interest of a commercial country requires; the regulator, and the only one which can preserve soundness and uniformity in trade, by distinguishing the sound credits from the false, and strengthening and confirming the former, while it discredits and drives out of the market the latter.

How is it with a National Bank in these respects? Under the systems of banking which universally prevail in this country, a bank may be not inappropriately defined to be incorporated credit; and a National Bank may be as appropriately considered a monopoly of incorporated credit. I am aware that here rests one of the great merits of such an institution in the minds of those who favor its establishment, and that here I am to meet the strongest resistance from our talented and respected opponents. They consider the great value of a National Bank to consist in its power to regulate credit, and especially to regulate a currency of credit. I must tell the gentlemen that the power and the will to do are very different things, as well in a money corporation, as an individual. They may give great powers to a bank, and all great powers may be used for the accomplishment of great good, if the will and the wisdom exist and act with the power; but Congress cannot give the will or the wisdom, and the dear bought experience of our country, with two former banks, proves that these properties are not naturally united, or likely to act together, in a money corporation. I know that the late Bank has sometimes proved a severe regulator of the credit of weak institutions and single individuals, in small and ordinary transactions; and that it has been accustomed, in such cases, to take to itself the lion's share; to extend its profits by restraints imposed upon their business. These, however, have been, in a national sense, small matters. In the great floods and ebbs in the tides of trade and commerce and credit, where has that giant institution been found? As a regulator of credits and a safeguard against excesses and revulsions? No; but as the great leader and promoter of the expansions and over-tradings and speculations, and then of the consequent revulsions. Look at 1819, 1825, and 1834, for examples. In all great irregularities the Bank was usually the first to move, to expand, to practise excesses itself and promote them in others; and, when the gale had reached its height, it was usually the first also to sound the alarm, to countermand the course, to take in sail, and fly for the harbor; resting upon the strength of the credit of this Government and the revenues of this Government to keep it afloat and bring it to land; and entirely regardless of the wrecks and ruin and destruction of local banks and private merchants and traders left upon its trail, and which must strew its track towards self-security. So long as that institution continued to hold the revenues of the United States and the credit of the United States, it could practise these irregularities in comparative safety; but when both were surrendered by compulsion, and, with the same name and same capital, under a State charter, it undertook these bold flights, it too fell among those which had formerly been its victims, and now

remains dead and motionless, the worst wreck upon an over-burdened shore.

These irregularities and evils of the two former Banks of the United States, which I have pointed out, and from which the country has so severely suffered and is now suffering, are not mere incidents, the effects of particular times and circumstances. They are intrinsic, and their causes are to be found in the very nature of a moneyed corporation, managed by private cupidity, and having for its support the vast credit and revenues of this mighty nation. The experience of the country is ample upon this point. The power and will of a National Bank to regulate our trade and credit and currency has been abundantly tried; and has the business world been free from expansions and contractions, excesses and revulsions, under such regulation? Have there been no reckless speculations on the one hand, buoying men up with hope to-day, and no consequent revulsions and depressions on the other hand, sinking them in embarrassment and distress and bankruptcy to-morrow? If such has been the experience of the past, what better can we expect from bank regulation, without any other standard for the future? If uniformity and stability, and soundness, and true value, have not been the fruits of the former banks, upon what principle are we to expect such fruits from another institution, organized upon the same principles, and holding in its very nature the same inherent evil tendencies.

And what, Mr. President, is the system now to be repealed to give place to this bank regulator? A system which, so far as its action can go, will supply to all the business men of the country a currency of uniform and intrinsic value; a currency subject to no other fluctuations, either of quantity or value, than are incident to the trade of the world; a standard and touchstone by which the property and credit and business of every man in the nation may be tried, and must finally be governed, in spite of all our acts and devices to establish for our country alone an artificial and fictitious standard of value. The standard now to be superseded is that of gold and silver, the money of the civilized world and the standard of value of the civilized world. The Independent Treasury uses those metals as money, at their intrinsic value in the markets of the world, and, thus used, they constitute a uniform standard of value for the banker, the merchant, the broker, the farmer, the day laborer, for every class and description of our citizens, wherever located, and whatever employment they may choose to pursue; and it is a standard held in the hands, and regulated by the will, of the Congress of the United States, composed of the representatives of the people, and in strict conformity with the Constitution of the United States.

Repeal this system and substitute a National Bank, making its notes a tender in all payments at the public Treasury, and the standard of value for the country, so far as the action of this Government is concerned, will be the notes of the Bank, a currency of no intrinsic value, held in the hands and regulated at the will of the managers of the Bank; subject to all manner of fluctuations, both of quantity and value, at the will of those mana-



gers; liable to depression and destruction as well from panic, passion, and prejudice, as from real and stable causes, and dependent both for its uniformity and permanent value upon the stock of public confidence which can be drawn around it. Such is the currency and standard of value which the Senate is now called upon to prefer, and for which we are to throw away one of inherent value, of permanent uniformity; the currency dictated by the fathers of the Constitution for the protection of every citizen, and the prosperity of their country.

Will gentlemen consent to destroy, at a single blow, a system of finance for the Government, promising results such as I have briefly and imperfectly described, possessing tendencies, inherent in its action, such I have pointed out, and trust themselves to darkness and doubt for a substitute? Or will they exchange such a system, yet almost wholly untried, for one whose evils have been demonstrated by experience, and are already daily staring the whole country in the face? Will they abolish a system established by the authority of law, and now in successful operation, when no man can say that such a substitute as I have anticipated, and attempted to describe, is within their reach? To return to the metaphor of the honorable Senator from Kentucky, will they insist upon tearing down the old house, for a berth upon the pavement, or in the fields? To do so, in my judgment, is wholly unnecessary, and will be most unwise.

Another consideration connected with the speedy passage of this bill, for the avowed purpose of following its passage by the establishment of a new National Bank, is well worthy of the serious consideration of those who press it forward. Quiet and confidence in relation to the validity of the charter of a Bank, to its solvent condition, to the integrity of its management, and its fidelity to all its obligations, are indispensable to the success and prosperity of such an institution, organized upon the principles which characterize the banks of this country, and which doubtless will be the leading principles of the charter of any new Bank of the United States now to be proposed. It is a fact perfectly well known here, and every where, that a very large minority, not to say a majority, of the statesmen of this country, and of the people of this country, entertain a settled hostility against the creation, or existence, of any such institution under the authority of Congress. They all believe a National Bank calculated to bring evil rather than good upon the people and the country. They believe its tendencies, in a pecuniary sense, are rather to derangement and irregularity and rottenness, than to stability, uniformity and soundness. They believe that, in a political sense, it is the most dangerous power which can be connected with, or engrafted upon, this central and common Government. And a very large portion in their consciences believe that the Constitution of the United States does not confer upon Congress any power to charter such a Bank. Now do gentlemen suppose, or hope, that the mere vote of a bare majority of the members of each House of Congress, and the signature of the President, if that should be yielded, in favor of such a charter, would put an end to this settled and long existing hostility, to these deep

and fearful apprehensions so freshly and fully confirmed by the developments daily making as to the practices, financial, and political, the vices, the crimes and the utter insolvency of the late Bank of the United States? Can they for a moment suppose that that numerous party, the members of which hold the constitutional opinion I have mentioned, will surrender that opinion upon the mere exhibition of a paper charter thus sanctioned? That they will hold such a charter constitutionally valid, and not only free from their unceasing hostility, but justly calling for their support and confidence? I presume the minds of a majority of the members of the Senate are already made up to vote for a National Bank, and I certainly mean no disrespect towards such, when I entreat them to pause, before they sweep away a system of unquestioned constitutionality, to make room for one open to such broad constitutional doubts, and such wide spread and deeply settled hostility. I am sure, if they reflect, they cannot make themselves believe that a mere charter upon the statute book, having the ordinary forms of law can possess that talismanic power necessary to surmount these almost insurmountable obstacles, and to draw around it that broad mantle of public confidence, entirely indispensable to enable it to regulate the paper currency of this country, and sustain its notes as the standard of value in the trade of the nation. If any Senator possesses a faith in a bank charter so strong as this, such a faith is unknown to me.

Again, we are told that a new National Bank is to be that great healing measure, which is to relieve every distress in the pecuniary affairs of the whole country, to elevate the prices of property and labor, and to make money every where current and plenty. How is it to effect all this? All men of all parties now agree that we have in the country a large excess of banks. The complaint is that they have been unfortunate, or improvident, are unable to meet their obligations, and have lost the public confidence. Can Congress remedy this state of things and restore confidence to these crippled and prostrate institutions, by adding another great Bank to the list? For we must not forget that, except in so far as the national faith and credit may be embraced in the charter, and the national revenues shall be made capital for its use, such a Bank will be no better than those which now exist. There is no charm in a mere charter from Congress superior to that which a State Legislature may impart.

Suppose, however, the experiment must be made, and what must be the practical and immediate result? Say it is to be a Bank with a capital of fifty millions of dollars, (the last amount I remember to have heard named in this chamber as a suitable sum for the object,) and the first step is to aggregate this fifty millions from the existing capital of the country. The instant effect of this movement, must be to double the existing pressure upon the already crippled local banks and their embarrassed customers. The valuable and most stable deposits must be withdrawn from these institutions, in the shape of gold and silver, or their equivalent, and their discount lines must be contracted, and their debtors made to pay in a currency equally valuable, that the capital of the new Bank may be



realized. The effect of aggregating so vast a capital in coin, or its equivalent, at the present period of depression in our trade, and business, and banking, must be to bring every thing to a stand still; and for how long a time?

What time do gentlemen suppose will be required to collect fifty millions of dollars of real money capital in times like the present? I ask the question, because I will not presume that it is contemplated, at this advanced period in our experience in banking, to put a new Bank into operation without the previous payment of its entire capital. That mode of banking has been long since tried and exploded in my own State, and I trust is not now tolerated any where. The first step in the process, therefore, must be to obtain the entire capital of the new Bank in money. Here I may and probably shall, be told that foreign capital will seek the stock, and thus relieve our own banks and business men from the pressure I anticipate. This may be so; but I must think, if we are to wait until English or French capitalists part with their money for the stock of another Bank of the United States, we shall be compelled to wait until the *vacuum* produced in their pockets by investments in the stock of the late Bank has been more filled than it is at present, or is likely to be from the proceeds of their interest there. Whether the same considerations will influence our own citizens who have money to invest, is a matter worthy of consideration by those who rely upon such a Bank for relief to the country, and a safe and practical fiscal agent for the Treasury. I do not wish to express an opinion upon it. It is enough for my purpose that, if they do take the stock, the immediate consequences to our banks and business men, which I have described, must follow, from the withdrawal from the current business of the country of their capital for the new investment.

This is no imaginary picture. It must be the first result of this measure of relief. There is no man at all acquainted with the subject who does not know that the location of a new State bank in any of our trading towns, produces an immediate and temporary pressure upon all the banks and business men of the vicinity. The capital of the new bank must be accumulated, and that can only be done by a change of the amount of money required, from old to new channels, from the customers of the existing banks, principally, to those who shall become the customers of the new bank. This, however, in the case supposed, is a local and limited operation; but the establishment of a new National Bank must affect, in the same way, to the extent of its capital, the whole Union; and if that capital be fifty millions, the local banks of the Union must curtail their accommodations to about that extent, unless the credit of this Government shall be resorted to, and a debt imposed upon the whole people, to raise the money, and thus avoid this unpleasant consequence.

Suppose, however, the capital of the new Bank, aggregated by whatever means, and at whatever sacrifice to the business interests of the people, or the credit of the country. Then comes the second step in the process. The great National Bank of fifty millions is ready to commence its operations of banking, and wants customers. All the local

banks are restricted to the utmost of their power, from the necessity of parting with the capital for the new National Bank, and from the fear of its power when put in operation. They too, therefore, want customers. The National Bank leads off with free issues and liberal discounts. The local banks feel the impulse, and follow the example. A general expansion of the paper currency ensues. Money becomes plenty and cheap, and property and labor dear, and foreign property and foreign labor rush in upon us to restore the equilibrium; taking from us in exchange for both, not our expanded and cheapened bank paper, but our gold and silver, equally cheapened in our markets by our legal establishment of the paper standard. This state of things will continue for a short period, deluding us with the idea of unexampled prosperity, and the excesses may even reach those of 1835 and 1836, though I sincerely hope not.

Then must come the third step in the natural action of this great credit system. The National Bank, having got out its vast capital, and extended sufficiently its issues, will commence the counter-march, and, leaning upon the credit of the nation and the public revenues, it may sustain the consequent revulsion. The local banks must follow without such aids, and the scenes of 1819, of 1825, of 1834, and of 1837, must again be visited upon them and their customers, perhaps with increased severity. Such is the promise which experience holds out to us from the establishment of a new National Bank, as a measure of relief to the Treasury of the people, and to the people themselves; while repetitions of these fluctuations is all the uniformity to be hoped for from a system of currency based upon a paper standard, held and controlled by the managers of a Bank.

Another suggestion could not fail to strike the minds of all, when viewing this hasty action. One of the most constant and universal complaints against the two last Administrations, by their opponents, was that of eternal agitation and constant change in our financial system, and under that complaint those Administrations suffered severely, though I believe unjustly. This complaint commenced with the veto upon the Bank in 1832. It was redoubled upon the change of the deposits in 1833; and the agitations in relation to the adoption of some system by which the public moneys might be brought more immediately within the custody of the law, between that time and the passage of the deposit law of 1836, extended and confirmed it. That law had not been in operation one year when the system of finance organized under it broke down, apparently by its own weight, and again change and agitation became indispensable. The Independent Treasury system was recommended by the President and the fiscal officer of the Government, and, not meeting the approbation of the then Congress, constituted the subject of continual and heated discussion before the country until its adoption in July, 1840. During all this period every obstruction was thrown in the way of any other settlement of the difficulties than by the recharter of the old National Bank, or the establishment of a new one, by all those who favored the existence of such a Bank; and yet they were among the loudest in their complaints of agitation, confusion



absence of law, and eternal change. What do these same gentlemen now propose to do? The Independent Treasury law was passed on the 4th of July, 1840. It is going into gradual operation without any particular hardship upon any interest, but has not yet reached its complete effect, much less been allowed time for a fair and reasonable trial; and already the system must be changed by the action of the very men who have complained so much and so long of change, change. Not only so, but this law must be instantly repealed, without even an attempt to adopt a substitute, thus again throwing the public moneys upon Executive discretion, and opening again the whole vast field of national finance for a repetition of the agitations which prevailed from 1833 to 1836, and again from 1837 to 1840.

And why is this proposed to be done? Gentlemen do not leave us in doubt as to the answer to this question. They show us that it is to force Congress and the country back upon that old system which has been most patiently and effectually tried, and most clearly and unequivocally condemned by the people—a National Bank, connected with, and resting upon, the credit and revenues of the country. This may be reform, but to my mind it seems very much like reform in a circle. Will gentlemen look back to 1832, see what was then the state of the public mind as to a Bank of the United States, and carefully weigh every manifestation of popular feeling touching such an establishment, from that day to the present? They will find at every step a great and powerful interest struggling earnestly, but struggling hopelessly, for the attainment of this result; so hopelessly, that even at the elections of 1840, the then Opposition, now Administration party, dare not avow before the people that the establishment of a Bank was a settled and favorite measure of their party. Will they turn their minds to what have been their constant complaints, and the constant complaints of almost all business men, during the long period referred to? These complaints have uniformly been of agitation and change. The phatic language of the business community has been, "Give us any settled system, but let us not be harassed by these perpetual changes. We will inform ourselves and our business to any system you may devise, if you will only allow us time to try its merits and understand its action." And yet, before a new and untried system has been in operation a twelve month, the very party which made this complaint of constant and eternal change, stand upon still another change—upon the instant repeal of this new system—and upon going back to the point of departure in 1833, to start round the circle again. If gentlemen can see stability, unity, quiet, upon this path, I confess they can see what I am not able even to hope.

A few words more, Mr. President, and I will retire from the Senate for the present occasion. So much has been already said upon the point I am about to touch; it has been so distinctly predicted and argued by the honorable Senator from Ohio, [Mr. McROBERTS,] in his resolutions for commitment with instructions, and the sense of the majority of the Senate has been so unequivocally expressed in the vote upon those resolutions, that,

but for a most imperious sense of duty, I should pass it over altogether. The point is this: In what situation will the repeal of the Independent Treasury law, in the form proposed in this bill, leave one portion of the public money, the instant the bill shall be approved and signed by the President? I refer to that portion of the money in the hands, and to come into the hands, of the Receivers General at Boston, New York, Charleston, and St. Louis? I take these officers, because I can make the argument I wish to present, clearer by so doing, as they hold no other offices, and are charged with no other duties than those of receivers, keepers, and disbursers of the public revenue. In their cases, therefore, I get rid of the confusion of ideas which seem to me to have embarrassed the former debate; by coupling the collectors of the customs, receivers of money for lands, treasurers of the mints, and the like, who hold other offices, have other duties to perform, and give other official bonds, under other and different laws. I ask, then, what will be the condition of the money in the hands of these four "Receivers General," the moment after this bill shall have received the signature of the President and become the law of the land? There can be neither doubt nor question, that the moment the law creating their offices is repealed, the offices they hold will drop from them, and they will become, in fact and in law, private citizens, entirely discharged from all future official responsibility. What, then, I repeat, will be the condition of the money in their hands, or which shall come into them, before notice of this law can reach them? I will take the Receiver General at New York, the nearest point, for an illustration. That officer must be daily receiving very large sums, say twenty, thirty, fifty thousand dollars, and on some days vastly more than the highest sum mentioned. The persons required to pay over to him are numerous, and the collections of some of them immense. The balance in the hands of that officer, too, must always be considerable. I have made inquiry upon this point, and find there is seldom less than one or two hundred thousand dollars, and sometimes half a million. Two business days, at the least, must elapse, after this bill shall become a law, before notice of the fact can reach him, and those whose duty it now is to pay money to him. For those two days he continues to receive and pay money, ignorant of the fact that he is a mere private citizen, without rights or obligations as a public officer. The notice of the repeal of the law reaches him, and finds him in the possession and occupancy of an office rented by the Government for the use of a public officer who has not, and has not had for two days, any existence. He, therefore, has no further right there. His strong box is in the vault and the keys in his pocket. He makes an examination, and finds that the balance of money in his charge at the moment his office ceased was, if you please, one hundred thousand dollars; that he has received, since that period, and before the notice of the repeal reached him, one hundred thousand dollars more; and that he has paid upon the drafts of the Treasurer of the United States, within the two days of his action without office, fifty thousand dollars; leaving a nett balance of money in his keeping of one hundred and fifty thousand



dollars. What is he to do? No man is now, or has been for two days, responsible, as his surety, for his conduct; his office is gone; his salary gone; and this money is in his hands as a private citizen, without fault on his part. If he be an honest man he will lock the box, and lock the vault, and keep carefully the keys, and the money, until the Secretary of the Treasury shall tell him what disposition to make of all; but if he be willing to help himself, and be flush of money, without any other liability than that of a civil suit in the name of the United States against him as a private individual, for money had and received, he may put the money in his pocket and go where he please, and make what disposition of it he please. So at Boston, Charleston, and St. Louis, with the important and much stronger exception as to time. The notice, I suppose, might reach Boston in three days, Charleston in four or five days, and St. Louis in from ten to fourteen days, previous to which several periods, these individuals, at these respective places, would be discharging the duties of offices not in existence.

It has indeed been suggested to me since I came into my seat, that their acts would be void, and that payments of money to them would not discharge the payor from his liability to the Government. This is, no doubt, technically true in the law; but would it afford any beneficial security to the public Treasury? Would any body, any where, attempt to enforce such a liability against a faithful officer in favor of the Government; a liability incurred through no fault of his, but through a voluntary act of the Government, which he could not by pos-

sibility have received notice of? I am sure not. It cannot be that we have yet come to the conclusion to imitate the example of the tyrant of Rome, and post our laws so high upon the columns of the Capitol that they cannot be read, and then punish their violation.

Such then would be the condition into which the country and the public treasure would be thrown by this hasty passage of this repeal bill, in its present form; while the question as to any substitute was a mere contingency. Some substitute may or may not pass at the present session; but until that is done, and until a National Bank can be put in operation, if that shall be the substitute, the miserable remnant of the deposit law of 1836, which has not been made inoperative by the action of the banks themselves, is all which is to prevent the whole public revenue from falling within Executive discretion, exactly where it was after the removal of the deposits from the Bank of the United States in 1833, when the honorable Senator from Kentucky [Mr. CLAY] declaimed with so much force and eloquence against the union of the purse and the sword in the single hand of the President. Now, if the gentlemen will have a little patience and endure the sight of the old house a short time longer, they may avoid these consequences which they have so recently considered of extreme danger, and have the further benefit of being able to learn whether they can build a new or, in case of the destruction of the old edifice, will be compelled to remain upon the pavement, or seek shelter for our treasure in the Executive mansion.







